

# State of Louisiana



M.J. "MIKE" FOSTER, JR.  
GOVERNOR

JACK C. CALDWELL  
SECRETARY

DEPARTMENT OF NATURAL RESOURCES  
OFFICE OF CONSERVATION

JAMES H. WELSH  
COMMISSIONER OF CONSERVATION

November 19, 2003

Mr. Randall C. Songy, REP  
ONEBANE LAW FIRM  
P. O. Box 3507  
Lafayette, LA 70502-3507

**RE:** EMERGENCY REQUEST OF November 6, 2003  
**SAND(s):** S SAND, RESERVOIR A  
T-1 SAND, RESERVOIR A  
T-2 SAND, RESERVOIR A  
**FIELD:** LIRETTE FIELD  
**PARISH:** Terrebonne Parish, Louisiana  
**APPLICANT:** DENBURY RESOURCES, INC.

Dear Mr. Songy:

Because of the reason set forth in your emergency request letter, it has been determined that undue hardship would be caused by the 20-day delay prescribed in Rule 3 of the Revised Rules of Procedure, effective October 11, 1983. You are therefore permitted to immediately file your application in compliance with Rule 8 of the Revised Rules of Procedure.

Yours truly,

JAMES H. WELSH  
COMMISSIONER OF CONSERVATION

BY: John R. Aldridge  
John R. Aldridge, Director  
ENGINEERING DIVISION

JRA:dpe

JOSEPH ONEBANE (1917-1987)  
JOHN G. TORIAN, II (1936-1991)

# ONEBANE LAW FIRM

*A Professional Corporation*

JAMES E. DIAZ, SR.  
TIMOTHY J. MCNAMARA  
EDWARD C. ABELL, JR.  
LAWRENCE L. LEWIS, III†  
ROBERT M. MAHONY  
DOUGLAS W. TRUXILLO\*  
RANDALL C. SONGY  
MICHAEL G. DURAND  
GREG GUIDRY\*  
JOSEPH L. LEMOINE, JR.††  
MARK L. RILEY  
GRAHAM N. SMITH\*  
GORDON T. WHITMAN  
GARY P. KRAUS  
RICHARD J. PETRE, JR.  
CHARLES J. BOUDREAUX, JR.  
THOMAS G. SMART  
ROGER E. ISHEE\*\*  
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JESSE D. LAMBERT††\*  
ROBERT J. DAVID, JR.  
BRENT G. SONNIER\*\*\*  
GREG R. MIERT††  
FRANK H. SPRUIELL, JR.\*  
MARIA FABRE MANUEL  
MICHAEL P. MARAIST  
JOAN LABBE BOUDREAUX

SUITE 600 VERSAILLES CENTRE  
102 VERSAILLES BOULEVARD (70501)  
POST OFFICE BOX 3507  
LAFAYETTE, LOUISIANA 70502-3507

FAX: (337) 266-1232  
TDD: (337) 266-1217  
TELEPHONE: (337) 237-2660

www.onebane.com

November 6, 2003

OF COUNSEL  
WILLIAM E. KELLNER  
MARK B. OLIVER  
CRAIG A. RYAN  
GREGORY K. MOROUX  
FREDERICK R. PARKER, JR.††  
MICHAEL D. SKINNER

SHREVEPORT OFFICE  
400 TRAVIS STREET, SUITE 1000  
SHREVEPORT, LA 71101  
TELEPHONE (318) 674-9770  
FAX (318) 674-9775

§LL.M. IN HEALTH LAW  
†BOARD CERTIFIED TAX ATTORNEY  
LL.M. IN TAXATION  
††REGISTERED PATENT ATTORNEY

\*ALSO ADMITTED IN TEXAS  
\*\*ALSO ADMITTED IN MISSISSIPPI  
\*\*\*ALSO ADMITTED IN OKLAHOMA

Honorable James H. Welsh  
Commissioner of Conservation  
Louisiana Office of Conservation  
P. O. Box 94275  
Baton Rouge, LA 70804-4275

RE: S Sand, Reservoir A  
T-1 Sand, Reservoir A  
T-2 Sand, Reservoir A  
Lirette Field  
Terrebonne Parish, Louisiana

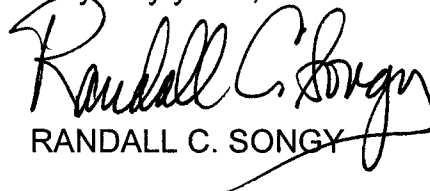
Dear Commissioner Welsh:

Pursuant to Rule 8 of the Rules of Procedure, a request is hereby made on behalf of **DENBURY RESOURCES, INC.** to authorize it to file for a public hearing related to the formation of a drilling and production unit for each of the captioned sands, and waiving the twenty (20) day pre-application notice requirement as set forth in Rule 3 of the Rules of Procedure.

It is suggested that the twenty (20) day pre-application notice requirement would unduly extend the date of the hearing and issuance of the unitization order, resulting in an undue hardship to Denbury and it is respectfully requested that, pursuant to Rule 8, you authorize the filing of the application by Denbury and the waiver of such pre-application notice.

If this request meets with your approval, please notify the undersigned at your earliest convenience.

Very truly yours,

  
RANDALL C. SONGY

RCS/bad/Enclosures

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November 6, 2003

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## APPLICATION

Honorable James H. Welsh  
Commissioner of Conservation  
Louisiana Office of Conservation  
P. O. Box 94275  
Baton Rouge, LA 70804-4275

RE: S Sand, Reservoir A  
T-1 Sand, Reservoir A  
T-2 Sand, Reservoir A  
Lirette Field  
Terrebonne Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **DENBURY RESOURCES, INC.** for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the **S Sand, Reservoir A**, the **T-1 Sand, Reservoir A** and the **T-2 Sand, Reservoir A**, in the Lirette Field, Terrebonne Parish, Louisiana, to-wit:

1. To establish rules and regulations and create a single drilling and production unit for the exploration for and production of gas and condensate for each sand, such units to be designated S RA SUA, T-1 RA SUA and T-2 RA SUA;

2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units, with each tract sharing in unit production on a surface acreage basis of participation;
3. To designate a unit well for each of the proposed units;
4. To designate Denbury Resources, Inc. as the unit operator for each of the proposed units;
5. To provide that any future substitute or alternate unit wells be exempt from the spacing provisions of Statewide Order 29-E;
6. To provide that any future wells drilled to each of the respective sands outside of the proposed units be located in accordance with the spacing provisions of Statewide Order No. 29-E;
7. To provide that the Commissioner of Conservation should be authorized to reclassify each of the reservoirs by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation; and
8. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The S Sand, Reservoir A, in the Lirette Field, Terrebonne Parish, Louisiana, is hereby defined as that gas and condensate bearing sand encountered between the depths of 10,208 feet and 10,292 feet, electric log measurements, (-9,882' ss and -9,967' ss), in the Denbury Resources, Inc. - Delta Securities No. 1 Well, located in Section 24, Township 19 South, Range 19 East, Terrebonne Parish, Louisiana.

The T-1 Sand, Reservoir A, in the Lirette Field, Terrebonne Parish, Louisiana, is hereby defined as that gas and condensate bearing sand encountered between the depths of 10,412 feet and 10,453 feet, electric log measurements, (-10,087' ss and -10,128' ss), in the Denbury Resources, Inc. - Delta Securities No. 1 Well, located in Section 24, Township 19 South, Range 19 East, Terrebonne Parish, Louisiana.

The T-2 Sand, Reservoir A, in the Lirette Field, Terrebonne Parish, Louisiana, is hereby defined as that gas and condensate bearing sand encountered between the depths of 10,506 feet and 10,728 feet, electric log measurements, (-10181' ss and -10403' ss), in the Denbury Resources, Inc. - Delta Securities No. 1 Well, located in Section 24, Township 19 South, Range 19 East, Terrebonne Parish, Louisiana.

Pursuant to Rule 8 of the Rules of Procedure, the Commissioner of Conservation has waived the pre-application notice requirement. A conference to discuss the proposed application is hereby scheduled for Wednesday, November 19, 2003 at 2:00 p.m. at The Onebane Firm, 102 Versailles Blvd., Suite 600, Lafayette, Louisiana, (337)237-2660.

Pertinent data concerning this application can be obtained AT THE COST OF THE REQUESTING PARTY by contacting **Frank W. Harrison, Jr., Consulting Geologist, 200 Audubon Blvd., Lafayette, Louisiana (Phone: 337-232-4031).**

There is attached hereto and made a part hereof plats outlining the proposed units, and a list of the names and addresses of the Interested Owners, Represented Parties, and Interested Parties to whom this unitization proposal is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the list of parties will be provided to any party requesting a copy of it. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties, and Interested Parties.

Finally, there is also enclosed our check in the amount of \$2,265.00 made payable to the Office of Conservation in payment of the required hearing application fee.

Very truly yours,

  
RANDALL C. SONGY

RCS/bad

Enclosures

cc: Mr. Richard D. Hudson, District Manager  
All Interested Owners, Represented  
Parties and Interested Parties

R 19 E

UNION PROD.  
Delta Securities

9  
14198'

19

18

UNION PROD.  
Delta Securities

5 F/6900' (A)  
11414' F/10960' (C)

T-1 RA SUA  
(UNDRILLED)  
± 123 ACRES

CONSOLIDATED GAS  
Waterford  
F/8765' (A) 1  
F/11655' (C) 15484'

T  
19  
S

UNION PROD.  
Delta Securities

8 F/10010' (A)  
12502'

EXXON  
Exxon Fee  
16 F/11775' (A)  
17987'

UNION PROD.  
Delta Securities

1  
11775'

10  
10605'

13

1

UNION PROD.  
Exxon Fee

2  
10568'

PENNZOIL  
Exxon Fee

2  
12329'

15

UNION PROD.  
Exxon Fee

11  
10622'

UNION PROD.  
Exxon Fee  
F/10900' (A) 12  
14156'

24

EXHIBIT NO.  
DOCKET NO.

DATE:

DENBURY RESOURCES, INC.  
DALLAS, TEXAS

LIRETTE FIELD  
TERREBONNE PARISH, LOUISIANA

PROPOSED UNIT  
"T-1" SAND

0 1000' 2000'

GRAPHICS BY: GEOLAND GRAPHICS, LLC LAFAYETTE, LA (337) 233-1887

FRANK W. HARRISON, JR.  
CONSULTING GEOLOGIST - LAFAYETTE, LOUISIANA

R 19 E

UNION PROD.  
Delta Securities

9  
14198'

19

18

UNION PROD.  
Delta Securities

5 F/6900' (A)  
11414' F/10960' (C)

S RA SUA  
(UNDRILLED)  
± 57 ACRES

CONSOLIDATED GAS  
Waterford  
F/8765' (A) 1  
F/11655' (C) 15484'

DENBURY  
Exxon Fee

F/8780' (A)

F/9305' (A) A-2 (OH)

11765' MD  
11040' VD

Delta Securities

F/9683' (A)

FAULT

11312' MD  
11013' VD

UNION PROD.  
Delta Securities

8 F/10010' (A)  
12502'

UNION PROD.  
Exxon Fee

F/10900' (A) 12  
14156'

24

25

UNION PROD.  
Exxon Fee

2  
10568'

EXXON  
Exxon Fee

16 F/11775' (A)  
17987'

UNION PROD.  
Delta Securities

1  
11775'

10  
10605'

13

1

PENNZOIL  
Exxon Fee

2  
12329'

15

UNION PROD.  
Exxon Fee

11  
10622'

EXHIBIT NO.  
DOCKET NO.

DATE:

DENBURY RESOURCES, INC.  
DALLAS, TEXAS

LIRETTE FIELD  
TERREBONNE PARISH, LOUISIANA

PROPOSED UNIT  
"S" SAND

0 1000' 2000'

GRAPHICS BY: GEOLAND GRAPHICS, LLC LAFAYETTE, LA (337) 233-1887

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UNION PROD.  
Delta Securities

9  
14198'

19

18

UNION PROD.  
Delta Securities

5 F/6900' (A)  
11414' F/10960' (C)

T-2 RA SUA  
DELTA SECURITIES NO. 1  
± 109 ACRES

CONSOLIDATED GAS  
Waterford  
F/8765' (A)  
F/11655' (C) 1  
15484'

T  
19  
S

UNION PROD.  
Delta Securities

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UNION PROD.  
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PENNZOIL  
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12329'

UNION PROD.  
Exxon Fee

11  
10622'

15

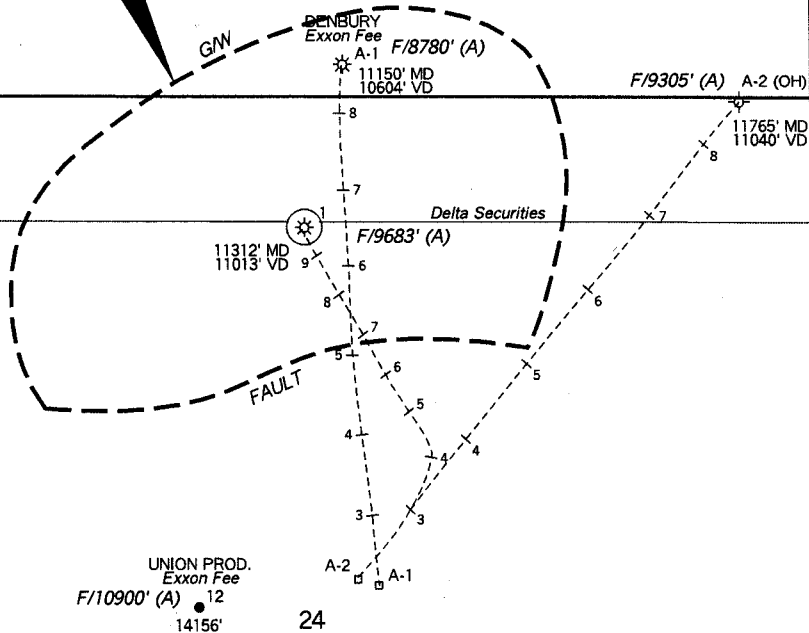


EXHIBIT NO.  
DOCKET NO.

DATE:

**DENBURY RESOURCES, INC.**  
DALLAS, TEXAS

**LIRETTE FIELD**  
TERREBONNE PARISH, LOUISIANA

**PROPOSED UNIT**  
**"T-2" SAND**

0 1000' 2000'  
GRAPHICS BY: GEOLAND GRAPHICS, LLC LAFAYETTE, LA (337) 233-1887

**FRANK W. HARRISON, JR.**  
CONSULTING GEOLOGIST - LAFAYETTE, LOUISIANA